

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2256 – SB 2337

February 29, 2016

**SUMMARY OF ORIGINAL BILL:** Establishes that a pawnbroker is not required to relinquish to a claimant an item believed to be misappropriated or stolen, unless a court has ordered such action. Requires, rather than authorizes, an appropriate law enforcement official to place a written hold order on property in a pawnbroker's possession, when such official has probable cause to believe that the property is misappropriated or stolen. Requires all moneys paid by a conveying customer, when a court finds that the property was misappropriated or stolen and orders the return of property to the claimant, to first be credited toward the pawnbroker until all money received from the pawnbroker for the property, plus all applicable pawn service charges, and all court costs and fees are paid, before any such money is credited toward litigation taxes, costs, fines, or any other payment specified by the court.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

IMPACT TO COMMERCE OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (012617):** Deletes and replaces language in the bill to clarify that any money paid by a conveying customer shall first be credited toward the pawnbroker's expenses, before any credits toward litigation taxes, costs, fines, or any other payment specified by the court are made.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Any decrease in local revenue as a result of requiring the conveyance of customer's payments to first be credited toward recovering the pawnbroker's expenses, before any credits toward court costs and fees are made, is estimated to be not significant.

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- There will not be a significant impact on the number of cases in the court system for state or local government to experience any significant impact on revenue or expenditures.

## **IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:**

**Unchanged from the original fiscal note.**

Assumption for the bill as amended:

- The proposed legislation as amended will not result in a significant increase in revenue to the pawnbroker industry as a result of requiring the conveyance of customer's payments to first be credited toward recovering the pawnbroker's expenses, before any credits toward court costs and fees are made.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

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